GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3208
ANSWERED ON:15.04.2008
REPORT BY PANEL OF MPS ON SEZS
Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether a panel of Members of Parliament has submitted a report on Special Economic Zones(SEZs) to the Government;

(b) if so, the main features of the said report;

(c) whether the norms for setting up of SEZs were not adhered to strictly as a consequence of which fertile agricultural land was acquired at cheaper prices and passed on to industrialists;

(d) if so, the details thereof;

(e) whether the Government has fixed the responsibility for non-adherence to the norms;

(f) if so, the details thereof; and

g) if not, the reasons therefor and the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a): Yes, Sir.

(b): The recommendations of the Committee mainly relate to usage of land for SEZ purposes; amendment to the Land Acquisition Act, 1984 and Resettlement and Rehabilitation Policy; processing and non-processing area in SEZs; extension of tax holiday to IT sector;governance issues relating to SEZ; issues relating to social infrastructure; issues relating to fiscal concessions;augmentation of Custom staff in SEZs and creation of posts for newly notified SEZs; performance evaluation of SEZs;and non-dilution of labour laws in SEZs.

(c) to (g): Land/land usage is a State subject and each State acquires land for various purposes as per their policy. There are no special provisions for acquisition of land for Special Economic Zones (SEZs).The State Governments have been advised that in case of land acquisition, priority be given to waste and barren land and if necessary,single crop agricultural land could be acquired for the SEZs.If perforce a portion of double cropped agricultural land has to be acquired to meet the minimum area requirements,especially for multi-product Special Economic Zones, the same should not exceed 10% of the total land required for the SEZ.The State Governments have also been advised that the Board of Approval will not consider any proposal for SEZ in case the State Governments have carried out or propose to carry out compulsory land acquisition for SEZs after 5th April, 2007. Only those proposals which are recommended by the respective State Governments are considered by the Board of Approval (BoA).